

TOWN OF DAVIE TOWN COUNCIL AGENDA REPORT

TO: Mayor and Councilmembers

FROM/PHONE: Bruce Taylor/327-3741

PREPARED BY: Heidi Cavicchia

SUBJECT: Ordinance

AFFECTED DISTRICT: Townwide

ITEM REQUEST: **Schedule for Council Meeting**

TITLE OF AGENDA ITEM: AN ORDINANCE OF THE TOWN OF DAVIE, FLORIDA, PROVIDING FOR INCREASES IN THE RATES, FEES AND CHARGES FOR WATER AND SEWER SERVICES TO BE FURNISHED BY THE TOWN; PROVIDING FOR THE ESTABLISHMENT OF SUCH RATES, FEES AND CHARGES; AND PROVIDING FOR AN EFFECTIVE DATE

REPORT IN BRIEF: The Town has not had a rate increase since 1996; the Town's water and sewer rates were lowered by 28% in 1998 and have remained at these rates through the present time. The Town contracted the firm of Public Resources Management Group to conduct a water and sewer rate study. The results of this study were presented to the Town Council in a public workshop on November 5, 2007.

The Town must construct water and wastewater treatment plants as well as expand out existing wastewater treatment plant. These new plants and upgrades are necessary because we have been mandated by the State of Florida to find alternative water supplies and the Town must be able to provide water and sewer services to certain developments within the Town.

It was determined by the rate study that the Town's water and sewer rates need to be substantially increased to continue to pay for the cost of operations and to fund the Utilities Capital Improvement program. We must also comply with the rate covenants per our bond resolution.

PREVIOUS ACTIONS: None

CONCURRENCES: Town Attorney reviewed and approved

FISCAL IMPACT: not applicable

Has request been budgeted? n/a

RECOMMENDATION(S): Approval of the Ordinance

Attachment(s): Ordinance

ORDINANCE NO. _____

AN ORDINANCE OF THE TOWN OF DAVIE, FLORIDA, PROVIDING FOR INCREASES IN THE RATES, FEES AND CHARGES FOR WATER AND SEWER SERVICES TO BE FURNISHED BY THE TOWN; PROVIDING FOR THE ESTABLISHMENT OF SUCH RATES, FEES AND CHARGES; PROVIDING FOR CONFLICTS, PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Town conducted a water and wastewater rate study completed by Public Resources Management Group; and

WHEREAS, the Town has determined that rates for water and wastewater services must be increased to continue to pay for the cost of operations, fund the Utilities Capital Improvement program, and meet the rate covenants per the bond resolution; and

WHEREAS, the Town will not be able to provide adequate water and sewer services to all of the citizens within its service area without such rate increases;

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF DAVIE, FLORIDA.

SECTION 1. That the Town of Davie does hereby adopt the “Town of Davie Utilities Department Water and Sewer Service Rates” as provided for in Exhibit “A” attached hereto and incorporated herein.

SECTION 2. This Ordinance and Exhibit attached hereto shall supersede all prior Ordinances and Resolutions of the Town of Davie pertaining to water and sewer utilities to the extent of any conflict herein.

SECTION 3. This Ordinance shall take effect immediately upon its passage and adoption.

PASSED ON FIRST READING THIS _____ DAY OF _____, 2007.

PASSED ON SECOND READING THIS _____ DAY OF _____, 2007.

MAYOR/COUNCILMEMBER

Attest:

TOWN CLERK

APPROVED THIS _____ DAY OF _____, 2007

EXHIBIT "A"
TOWN OF DAVIE UTILITIES DEPARTMENT
WATER AND SEWER SERVICE RATES

1. PROJECTED REVENUE ADJUSTMENTS

	FY2008	FY2009	FY2010	FY2011	FY2012
A. Water	50%	20%	9%	9%	9%
B. Wastewater	65%	20%	16%	16%	16%

2. MONTHLY RATES – WATER

A. RESIDENTIAL BASE RATE

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Single Family Home	\$12.20	\$14.64	\$15.96	\$17.40	\$18.97
Multi-Unit Residential including duplexes, townhomes, etc. (per dwelling unit)	\$9.76	\$11.71	\$12.76	\$13.91	\$15.16
Mobile Home Units (per dwelling unit)	\$7.32	\$8.78	\$9.57	\$10.43	\$11.37

**B. NON-RESIDENTIAL/COMMERCIAL/INSTITUTIONAL CLASS
BASE RATE
BY METER SIZE**

3/4" or less	\$12.20	\$14.64	\$15.96	\$17.40	\$18.97
1"	30.50	36.60	39.89	43.48	47.39
1-1/2"	61.00	73.20	79.79	86.97	94.80
2"	97.60	117.12	127.66	139.15	151.67
3"	183.00	219.60	239.36	260.90	284.38
4"	305.00	366.00	398.94	434.84	473.98
6"	610.00	732.00	797.28	869.69	947.96
8"	976.00	1171.20	1276.61	1391.50	1516.74

C. IRRIGATION CLASS BASE RATE

Per ERC	\$12.20	\$14.64	\$15.96	\$17.40	\$18.97
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3. MONTHLY RATES - WASTEWATER:

A. RESIDENTIAL BASE RATE

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Single Family Home	\$18.13	\$21.76	\$25.24	\$29.27	\$33.96
Multi-Unit Residential including duplexes, townhomes, etc. (per dwelling unit)	\$14.50	\$17.40	\$20.19	\$23.42	\$27.17
Mobile Home Units (per dwelling unit)	\$10.88	\$13.05	\$15.14	\$17.56	\$20.38

B. NON-RESIDENTIAL/COMMERCIAL/INSTITUTIONAL CLASS BASE RATE BY METER SIZE

3/4" or less	\$18.13	\$21.76	\$25.24	\$29.27	\$33.96
1"	45.33	54.39	63.09	73.19	84.90
1-1/2"	90.65	108.78	126.18	146.37	169.79
2"	145.04	174.05	201.90	234.20	271.67
3"	271.95	326.34	378.55	439.12	509.38
4"	453.25	543.90	630.92	731.87	848.97
6"	906.50	1087.80	1261.85	1463.74	1697.94
8"	1450.40	1740.48	2018.96	2341.99	2716.71

4. VOLUME CHARGE

A. Volume charge per 1,000 gallons for water (Single family, Multi-Unit, Mobile Home and Irrigation Classes)

	FY2008	FY2009	FY2010	FY2011	FY2012
Block 1	\$2.01	\$2.41	\$2.63	\$2.87	\$3.13
Block 2	3.01	3.61	3.93	4.28	4.67
Block 3	4.02	4.82	5.25	5.72	6.23
Block 4	5.02	6.02	6.56	7.15	7.79
Block 5	6.03	7.24	7.89	8.60	9.37
Block 6	7.03	8.44	9.20	10.03	10.93

B. Volume charge per 1,000 gallons of water (Non-residential, Commercial and Institutional Classes)

All Usage	\$2.59	\$3.11	\$3.39	\$3.70	\$4.03
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C. Volume charge per 1,000 gallons of sewer (All Retail Classes)

All Usage	\$3.27	\$3.92	\$4.55	\$5.28	\$6.12
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Wastewater billing cap for single family accounts – 15,000 gallons per account

Wastewater billing cap for multi-unit accounts – 12,000 gallons per unit

Wastewater billing cap for mobile home accounts – 9,000 gallons per unit

D. Price blocks by customer class (Consumption block up to or next)

	Block 1	Block 2	Block 3	Block 4	Block 5	Block 6
Single family	5,000	10,000	20,000	30,000	50,000	Over 50,000
Multi-Unit	4,000	8,000	16,000	24,000	40,000	Over 40,000
Mobile Home	3,000	6,000	12,000	18,000	30,000	Over 30,000
Irrigation	5,000	10,000	20,000	30,000	50,000	Over 50,000

5. ACCOUNT DEPOSIT

A. Residential – Owner occupied (Single family, multi-unit, mobile home)

Water Service \$ 50.00

Sewer Service \$ 50.00

Water & Sewer Service \$100.00

B. Residential – Rental Units (Single family, multi-unit, mobile home)

Water Service \$ 75.00

Sewer Service \$ 75.00

Water and Sewer Service \$150.00

C. Non-Residential, Commercial Institutional

METER SIZE	WATER DEPOSIT	SEWER DEPOSIT	WATER & SEWER DEPOSIT
5/8" or 3/4"	\$ 75.00	\$ 75.00	\$150.00
1"	\$150.00	\$150.00	\$300.00
1-1/2"	\$200.00	\$200.00	\$400.00
2"	\$300.00	\$300.00	\$600.00

D. Irrigation Meters - \$50.00 for each calculated ERC

6. MISCELLANEOUS CHARGES

Connect Charge: Between 8:30 am and 5:00 pm \$30.00
Monday through Friday, to establish
service at Customer's request

After 5:00 pm or during Weekends or \$100.00
Holidays, to establish service at
Customer's request

Disconnect Charge: Between 8:30 am and 5:00 pm \$30.00
Monday through Friday, for non-payment
of account or returned checks

After 5:00 pm or during Weekends or \$100.00
Holidays, for non-payment of account
or returned checks

Reconnection will be at no additional cost once payment is received.

Late Charges: Payment will be considered late if not received by 5:00 pm on the DUE DATE indicated on the bill. The late charge is \$7.00 or 12% of the bill, whichever is the greatest.

Returned Checks: There will be a charge of \$25 for all returned checks. If payment for returned check is not made before due date on bill, a late charge will be added.

Tampering Charge: There will be a charge of \$300 for tampering with any Utility service, plus any and all repair costs incurred.

Removal of Jumper or \$250.00
Illegal Bypass

Unauthorized Use of \$500.00
Water from Fire Hydrant:

7. CONTRIBUTION CHARGES

The Town of Davie uses Equivalent Residential Connection (ERC) factors for determining fees and charges. By definition, one ERC is a single family residence with a standard 5/8" water meter. The Town of Davie will follow the Broward County Office of Environmental Services (OES) Equivalent Residential Unit Factor Schedule which contains factors for common types of use. The contribution charges will be as follows:

Water (per ERC – 350 GPD)	\$3,050
Sewer (per ERC – 350 GPD)	\$2,920

8. CAPITAL FINANCING RECOVERY FEES (CRFR)

Capital Financing Recovery Fees recapture the financing costs associated with the water and wastewater capacity necessary for new connections. Such fees will be used to pay the principal of and interest on the utility bonds and other utility debt as shall become due. These fees accrue over a six-year period. These charges are to be paid at the time a building permit is issued and are in addition to Contribution Charges.

	<u>Monthly Accrual</u>
Water System	\$11.97
Wastewater System	<u>8.11</u>
Combined System	\$20.08

9. CAPACITY RESERVATION CHARGES

VACANT UNITS: Property owners are responsible for payment of Base Water and Sewer Service charge even when units are not occupied.

UNCONSTRUCTED UNITS: Developer is responsible for payment of Base Water and Sewer Service charges for all units not occupied or built within twelve (12) months from the date of the original Water and Sewer Agreement. Charges will be based on the number of unoccupied and/or unconstructed ERCs. Lack of payment will nullify service agreement and capacity reservation.